

Phase 2 Background Report Economic and Fiscal Conditions

RECREATION AND TOURISM ECONOMY IN OROVILLE

- Presentation to the Recreation and Socioeconomics Work Group for the Oroville Facilities Relicensing

Presentation to the Recreation and
Socioeconomics Work Group
January 29, 2004

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- **Report Objectives**
 - Characterize tourism-related businesses in the Oroville area
 - Identify historical trends of tourism-related businesses
 - Identify existing programs to market recreation opportunities at the Oroville Facilities
 - Compare key supply indicators of tourism-related businesses to a similar recreation-oriented economy

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- **Data**
 - **Field observations**
 - **Interviews with local businesspersons**
 - **IMPLAN input-output model database**

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- **Study Findings: Tourism-Related Businesses**
 - Pattern of commercial establishments in Oroville follows historic growth
 - Tourism is a small (less than 10%) component of sales for downtown merchants
 - Businesses along Oroville Dam Blvd. attract more tourist trade (at least 20% of sales, on average)
 - Businesses along Olive Hwy receive an even higher proportion of tourist trade

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- **Study Findings: Tourism-Related Businesses**
 - Limitations to attracting more tourist business
 - Motor business orientation of tourist services
 - Lack of facilities to host meetings and ceremonies
 - Lack of facilities to accommodate special needs of boaters

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- **Study Findings: Tourism-Related Businesses**
 - **Motels:** 50% of customer base is recreational visitors from outside the Oroville area
 - **Guides and Outfitters:** primarily depend on out-of-area fishers
 - **Casinos:** account for most earnings and employment in the amusement and recreation sector in the Oroville area

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- **Study Findings: Tourism-Related Businesses**
 - **Eating and Drinking Est:** business is particularly strong during the summer season
 - **Food Stores:** less reliant on tourism
 - **Boat Storage and Repair:** primarily depend on sales to persons from outside the Oroville area
 - **Antique and Gift Stores:** about 90% of sales are to local residents

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- **Study Findings: Marketing of Lake Oroville**
 - **Most marketing is the direct result of Oroville Chamber of Commerce activities**

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- **Study Findings: Comparison to Shasta County Economy**
 - Oroville has lower per-capita earnings in most of the tourism-related sectors
 - Exception is the amusement and recreation sector because of the casinos
 - Relative importance of tourism-related jobs is greater in Shasta County

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- **Conclusions**
 - Recreation-related businesses in the Oroville area have matured to a point of modest stability
 - Stable, profitable businesses may enjoy benefits of increased recreation activity
 - Imminent casino expansion may counter these benefits
 - Establish better linkages between casino operations and established commercial areas